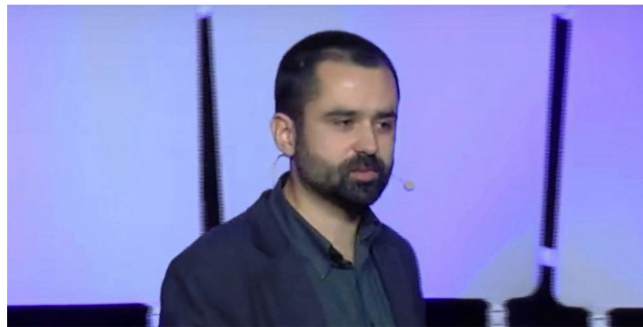




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'Animal feed is a good market, but it takes more time to make a positive financial and economic impact,' Antoine Hubert, CEO and Co-Founder Ynsect, said in an interview. Photo: YouTube

Robert Downey Jr.-backed insect protein company pivots away from animal feed, shutter Dutch facility

The group will instead focus on higher-margin products such as pet food.

19 April 2023 4:00 GMT *UPDATED 19 April 2023 4:00 GMT*

By [Dominic Welling](#)

France-based insect protein company Ynsect is refocusing its business strategy away from animal feed following its latest capital increase, company CEO Antoine Hubert [told Reuters in an interview](#).

The Robert Robert Downey Jr.-backed company will pivot towards high-margin markets such as pet food after raising €160 million (\$175.6 million) from investors, Hubert said.

The group will use the money to finance expansion of its flagship vertical insect farm in Amiens in northern France and for new projects.

"In an environment where there is inflation on energy and raw materials but also on the cost of capital and debt, we cannot afford to invest loads of resources in markets which are the least remunerative (animal feed), while you have other markets where there is a lot of demand, good returns and higher margins," Hubert [told Reuters](#), referring to pet food, human nutrition and fertilizers.

Ynsect will also close its Dutch production plant, acquired through the takeover of Protifarm in 2021, which rears a different type of bug, while keeping research activities. This will lead to 35 job cuts.

In addition, the company will cut 38 jobs in France, out of a total of about 360 people, Hubert said.

Ynsect, founded in 2011, is currently commissioning a fourth site in France.

The group, which announced agreements in December to build insect ingredient production sites in the United States and Mexico, has signed sales deals for €180 million (\$197.5 million) over three years and is in talks for an additional €1 billion (\$1.1 billion), of which more than half is for pet food, Hubert said.

The recent €160 million (\$175.6 million) financing round brings the total amount raised by Ynsect so far to about \$625 million (€570 million).

In a [LinkedIn](#) post, Ynsect said it is seeking to follow an "asset-light," less capital-intensive business model with a combination of joint ventures and licensing agreements.

In addition to Downey Jr.'s FootPrint Coalition, Ynsect backers include Astanor Ventures, Los Angeles-based Upfront Ventures, Hong Kong-based Happiness Capital, Supernova Invest and Armat Group, among others. [\(Copyright\)](#)

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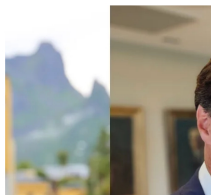
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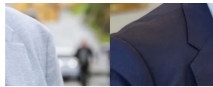


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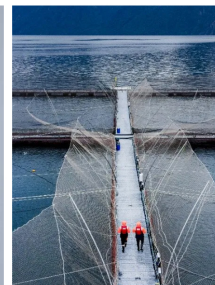
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